

UTAH INSURANCE DEPARTMENT NOTICE

30 DAY EXAMINATION PERIOD FOR REPLACEMENT POLICIES

This notice is to inform you of an important change to the Utah Insurance Code on April 30, 2007. During the 2007 session of the Utah Legislature, the examination period (also known as the right to return or free look period) for replacement life insurance and annuities was increased from 20 days to 30 days. The change to Utah Code §31A-22-423 was contained in House Bill 295.

The department is in the process of revising Administrative Rule R590-93, Replacement of Life Insurance and Annuities, to make the change to 30 days from the prior 20-day period in addition to other changes in the rule. The proposed revised rule is posted on our website at www.insurance.utah.gov/ruleindex.html.

The department realizes that for a short period of time the replacement rule will not be consistent with code. Insurers, however, are required to provide their customers with a minimum 30-day examination period for a replacement policy or certificate as of April 30, 2007 regardless of the content of their filed policy forms.

Because the examination period is required to be on or attached to the cover or front page of each policy or certificate, filed forms that currently do not provide a 30-day period will be non-compliant April 30, 2007. For these non-compliant forms, the department will not require a complete new filing for each form but rather requests that insurers submit an informational filing containing a list of the forms that will be corrected and one sample of a corrected cover page.

If you have any questions, please contact the Utah Insurance Department Life Insurance Section at 801 538-3066.